

### **REMARKS**

Claims 1-6, 10, and 11 have been amended, and new claims 13-17 have been added. Accordingly, claims 1-6, 10, 11, and 13-17 are currently pending in the application, of which claims 1, 10, and 11 are independent.

Applicants respectfully submit that the above amendments do not add new matter to the application and are fully supported by the specification. Support for the amendments and added claims may be found at least at page 6, line 10; page 7, line 5; page 7, line 20; and page 8, line 19 of the specification.

In view of the above amendments and the following Remarks, Applicants respectfully request reconsideration and timely withdrawal of the pending objections and rejections for the reasons discussed below.

#### ***Rejections Under 35 U.S.C. § 101***

##### **Claims 1-6**

Claims 1-6 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

The preamble of claim 1 has been amended to recite “a method *that utilizes a processor* to provide a partial payment in electronic commerce via the internet...” (emphasis added).

Furthermore, claim 1 has been amended to recite “transmitting, *using the processor*, payment form information relating to a plurality of payment forms to the user” (emphasis added).

In *Ex parte Buhan*, Appeal 2008-3441 (Decided April 14, 2009), the Board found sufficient tying to another statutory class where a preamble machine was also embodied in at least one process step. Specifically, the Board found those “elements sufficient for satisfying the “particular machine” prong of the *Bilski* machine or transformation test.” *Buhan*, page 12.

Thus, in view of *Ex parte Buhan*, Applicants respectfully submit that amended claim 1 is directed to statutory subject matter.

Claim 10

Though claim 10 was not explicitly rejected under 35 U.S.C. § 101, it was discussed in the same section of the Office Action that discussed 35 U.S.C. § 101. Thus, Applicants take this opportunity to note claim 10's compliance with 35 U.S.C. § 101.

In particular, Applicants point out that claim 10 has been amended to recite "*A non-transitory computer readable medium.*"

Applicants submit that claim 10 in its present form is fully compliant with 35 U.S.C. § 101.

Claim 11

Though claim 11 was not explicitly rejected under 35 U.S.C. § 101, it was discussed in the same section of the Office Action that discussed 35 U.S.C. § 101. Thus, Applicants take this opportunity to note claim 11's compliance with 35 U.S.C. § 101.

The Office Action states, on page 4:

independent Claim 11 recites a system with units for purchase request processing, payment means providing, payment performing, and sales requesting. This is considered to be software per se unless there is an apparatus as well that is capable of executing the software appropriately in order to provide functionality. In other words, for applicant to claim the steps performed by the program, the applicant must recite the claims such that when the program is executed, the program causes a computer/processor to perform the steps.

Applicants note that claim 11 has been amended to recite "*a data storage medium to store information on purchase particulars related to goods...*" (emphasis added).

Applicants submit that, as amended, claim 11 is not directed toward software *per se*. For at least this reason, claim 11 is fully compliant with 35 U.S.C. § 101.

***Rejections Under 35 U.S.C. § 103***

To establish an obviousness rejection under 35 U.S.C. § 103(a), four factual inquiries must be examined. The four factual inquiries include (a) determining the scope and contents of the prior art; (b) ascertaining the differences between the prior art and the claims in issue; (c) resolving the level of ordinary skill in the pertinent art; and (d) evaluating evidence of secondary consideration. *Graham v. John Deere*, 383 U.S. 1, 17-18 (1966).

In view of these four factors, the analysis supporting a rejection under 35 U.S.C. 103(a) should be made explicit, and should "identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the [prior art] elements" in the manner claimed.

*KSR Int'l. Co. v. Teleflex, Inc.*, 127 S. Ct. 1727, 82 USPQ2d 1385, 1396 (2007). The Federal Circuit requires that "rejections on obviousness cannot be sustained with mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *In re Kahn*, 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006).

Finally, even if the prior art may be combined, there must be a reasonable expectation of success, and the reference or references, when combined, must disclose or suggest every claimed feature. *See in re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

Claims 1, 2, 4, 5, 10, and 11 stand rejected under 35 U.S.C. § 103(a) as being allegedly unpatentable over U.S. Patent Application Publication No. 2002/0038277 applied for by Yuan ("Yuan") in view of U.S. Patent No. 5,649,118 issued to Carlisle, *et al.* ("Carlisle") further in view

of International Patent Application Publication No. 01/63520 applied for by Yun, *et al.* ("Yun").

Applicants respectfully traverse this rejection for at least the following reasons.

Claims 1, 2, 4, and 5

The Office Action fails to establish a *prima facie* case of obviousness of claim 1 at least because the Office Action fails to provide a persuasive reason to combine Yuan, Carlisle, and Yun in the manner claimed. The entirety of the Office Action's rationale for combining these references is found on page 6, and states:

It would have been obvious to one having ordinary skill in the art at the time of the invention to incorporate the features of *Carlisle* and *Yun* into the invention of *Yuan* since all the inventions look to increase convenience for users of related payment systems and methods in electronic commerce.

The Office Action's rationale for combining Yuan, Carlisle, and Yun is insufficient to sustain a rejection under 35 U.S.C. § 103(a). It is nothing more than a mere conclusory statement in direct contravention of established Federal Circuit jurisprudence. The Federal Circuit requires that "rejections on obviousness cannot be sustained with mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *In re Kahn*, 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006). The statement "all the inventions look to increase convenience for users of related payment systems and methods in electronic commerce" is a mere conclusory statement, and the Office Action provides no articulated reasoning or rational underpinning to support the legal conclusion of obviousness. Thus, the Office Action's rationale for combining Yuan, Carlisle, and Yun is insufficient to support the rejection under 35 U.S.C. § 103(a) for at least this reason.

Additionally, Applicants submit that the Office Action's statement that "all the inventions look to *increase convenience for users of related payment systems and methods in electronic commerce*" is incorrect (emphasis added).

First of all, Yuan does not concern "increase[ing] convenience for users of related payment systems in electronic commerce." Yuan is squarely focused on preventing fraud in a transaction. Yuan's technique deals with a financing method whereby a "factor" guarantees a buyer's payment obligation to a seller, in order to provide certainty in a seller's cash flow needs. (Yuan: Abstract.) It does not "increase convenience" for the users.

Moreover, the systems of Yuan, Carlisle, and Yun vary widely in their purpose and operation. They cannot be properly considered "*related* payment systems in electronic commerce." Their systems are not related. This is most evident in the case of Yuan, the payment system of which utilizes complex financial methods to mitigate risk in an auction transaction, where goods are provided before payment is made. This is wholly different from the systems of Carlisle and Yun, which deal with payment methods at point-of-sale transactions.

Accordingly, because the Office Action fails to provide a valid reason to combine Carlisle or Yun with Yuan, Applicants submit that their combination is improper, and requests withdrawal of the 35 U.S.C. § 103(a) rejection of claims 1, 2, 4, 5, 10, and 11 for at least this reason.

Additionally, even assuming, *arguendo*, that there exists a persuasive reason to combine Yuan, Carlisle, and Yun, the Office Action fails to establish a *prima facie* case of obviousness of claim 1 at least because even if combined, Yuan, Carlisle, and Yun fail to disclose or suggest every claimed feature. Claim 1, which has been amended for clarity and not to overcome the purported prior art, recites:

A method, utilizing a processor, for providing a partial payment in electronic commerce via the Internet, the method comprising:

*receiving request information for purchase of goods from a user;*  
*transmitting information on purchase particulars related to the goods to the user*  
*in response to receipt of the request information for purchase of goods, wherein*  
*the information on purchase particulars comprises the price of the goods;*  
transmitting, using the processor, payment form information relating to a plurality  
of payment forms to the user;  
receiving selection information relating to at least two payment forms from the  
user, wherein the at least two payment forms are selected by the user;  
performing a partial payment, by which at least two portions of the price of the  
goods are paid by the at least two payment forms;  
*transmitting result information of the performed payment to the user; and*  
*transmitting request information for sale of the goods based on the result*  
*information of the performed payment.*  
(emphasis added.)

The Office Action relies on Yuan to disclose “receiving request information for purchase of goods from a user” as recited in claim 1. Applicants disagree. In support of its rejection, the Office Action refers to paragraphs [0004], [0099], [0176], [0177], and [0178] of Yuan.

Respectfully, Applicants submit that Yuan does not in fact disclose “receiving request information for purchase of goods from a user” as recited in claim 1. Paragraph [0004] merely contains a general discussion of a seller-buyer relationship in the context of fraud protection. Paragraph [0099] concerns the way in which goods up for auction are displayed to a buyer participating in an auction. Neither of these portions of Yuan contain any indication of “request information for purchase of goods,” much less “*receiving* request information for purchase of goods *from a user*” as recited in claim 1 for at least this reason (emphasis added).

Paragraphs [0076]-[0078], respectfully, are similarly wholly irrelevant to claim 1. They concern a technique for providing to a potential buyer information regarding goods which the potential buyer may be interested in buying, based on a profile of the potential buyer’s interests. The only transmission of data disclosed is that “all goods or services that match the retailer’s profile will be retrieved from memory 1056, or from the supplier’s separate web sites, and

transmitted to the retailer's buyer's desktop.” Thus, Yuan clearly does not disclose “receiving *request information for purchase of goods from a user*” as recited in claim 1, for at least this reason (emphasis added).

Additionally, the Office Action relies on Yuan to teach “transmitting result information of the performed payment to the user” as recited in claim 1. Applicants disagree. In support of its rejection, the Office Action refers to the abstract, Figure 7, and paragraphs [0072], [0084], and [0087] of Yuan.

Contrary to the position of the Office Action, the applied passages of Yuan do not disclose “transmitting result information of the performed payment to the user” as recited in claim 1. The Abstract describes “[a]n auction with methods and mechanisms to avoid fraud” such as a guarantee of partial payment of owed amounts, and a period to inspect purchased goods. The abstract, and indeed, Yuan as a whole, merely describe a technique for managing cash flow in such a way as to minimize fraud and increase certainty. There is no disclosure of “result information of performed payment” in the abstract, much less “*transmitting* result information of the performed payment *to the user*” as recited in claim 1, for at least this reason (emphasis added).

Figure 7 of Yuan similarly fails to disclose “transmitting result information of the performed payment to the user.” Applicant cannot determine what in Figure 7 the Office Action considers to make this disclosure. There is no “result information of the performed payment” disclosed. Applicant surmises that the Office Action may consider the “invoice” repeated throughout Figure 7 to disclose the “result information of the performed payment.” Applicant makes this guess based on the fact that paragraph [0072], which the Office Action also relied on in making its rejection, also discusses an “invoice” (e.g., “Along with the goods or services, an invoice or other appropriate documentation may be sent to buyer 50 electronically and/or in hard

copy document form”). However, an “invoice” is a statement of the sum *due*.<sup>1</sup> There is no indication that Yuan uses this term in any way differently than it is commonly used. In fact, there is disclosure in Yuan supporting the common meaning of the term. For example, paragraphs [0109] and [0115] both recite “the invoice becomes past due,” indicating that money is still *owed* on it. This is plainly inconsistent with “result information of the *performed payment*” as recited in claim 1, and thus Yuan does not disclose “transmitting result information of the *performed payment* to the user” as recited in claim 1, for at least this reason (emphasis added).

Paragraphs [0084] and [0087] merely describe differing loan or credit arrangements that a seller transacting business via auction can engage in in order to maintain certainty in cash flow by receiving some form of payment from a third party (the “factor 30” in Yuan). The factor’s status as a guarantor of a buyer’s creditworthiness or payment to the seller (see Yuan, paragraph [0013]) does not disclose “transmitting result information of the performed payment to the user” as recited in claim 1, for at least this reason.

Additionally, the Office Action relies on Yuan to disclose “transmitting request information for sale of the goods based on the result information of the performed payment” as recited in claim 1. Applicants disagree. As an initial matter, Applicants note that it has been shown above that Yuan does not disclose “result information of the performed payment.” Consequently, Yuan cannot disclose “transmitting request information for sale of the goods based on the result information of the performed payment” because to do so requires “the result information of the performed payment.”

In support of its rejection, the Office Action refers to the abstract, Figure 8, and paragraphs [0072], [0084], and [0087] of Yuan. These passages are deficient at least for

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<sup>1</sup> *Shorter Oxford English Dictionary*, 6<sup>th</sup> ed., s.v. “invoice.”



reasons similar to those discussed above. In addition, however, Applicants note the absence of “request information for sale of the goods” from Yuan, and in particular from those portions of Yuan applied by the Office Action.

Applicants note an additional problem with the overall applicability of Yuan to claim 1. Yuan deals with a financing technique whereby, for example, a retailer agrees to purchase goods from a supplier, the supplier delivers the goods, and payment is made according to an arrangement with a “factor,” which guarantees some payment to the supplier regardless of payment by the retailer. This minimizes risk to the seller, and provides predictable cash flow. Thus, Yuan only discloses a situation wherein payment is made in some form *after* delivery of the goods. Indeed, if payment were made prior to delivery, there would be no need for the technique disclosed in Yuan, because there would be no risk of nonpayment for goods. In claim 1, “transmitting request information for sale of the goods” is “*based on* the result information of the *performed* payment” (emphasis added). Thus, it cannot be considered to be disclosed by Yuan for at least this reason.

Office Action acknowledges that Yuan fails to teach “transmitting information on purchase particulars related to the goods to the user in response to receipt of the request information for purchase of goods, wherein the information on purchase particulars comprises the price of the goods” as recited in claim 1, and relies on Carlisle to cure the deficiencies of Yuan. Applicants disagree. In claim 1, the transmission of “information on purchase particulars related to the goods to the user” is functionally related to the “request information for purchase of goods,” as the former is performed “in response to” the latter. Therefore, “transmitting information on purchase particulars related to the goods to the user” cannot be performed without “request information for purchase of goods.” Even assuming, *arguendo*, that the “request information for purchase of goods” is disclosed in Yuan (which it has been shown not

to be), it would not be able to simply be introduced from one system (Yuan) to an entirely different system (Carlisle), at least because of the functional relationship it has with “transmitting information on purchase particulars related to the goods to the user.” Yuan is directed toward a technique for managing auction transactions, while Carlisle is directed toward portable smart cards. The information generated by such disparate systems would be inoperable together, and thus, even in combination Yuan and Carlisle do not disclose “teach “transmitting information on purchase particulars related to the goods to the user *in response to receipt of the request information for purchase of goods*, wherein the information on purchase particulars comprises the price of the goods” as recited in claim 1, for at least this reason (emphasis added).

Accordingly, Applicants respectfully request withdrawal of the 35 U.S.C. § 103(a) rejection of claim 1. Claims 2, 4, and 5 depend from claim 1 and are allowable at least for this reason. Since none of the other prior art of record, whether taken alone or in any combination, discloses or suggests all the features of the claimed invention, Applicants respectfully submit that independent claim 1, and all the claims that depend therefrom, are allowable.

#### Claim 10

Claim 10 has been amended to recite features similar to those of claim 1. Thus the Office Action fails to establish a *prima facie* case of the obviousness of claim 10 for at least reasons similar to those noted above with respect to claim 1. Accordingly, Applicants request withdrawal of the 35 U.S.C. § 103(a) rejection of claim 10.

#### Claim 11

Claim 11 recites features similar to those of claim 1. Thus the Office Action fails to establish a *prima facie* case of the obviousness of claim 11 for at least reasons similar to those

noted above with respect to claim 1. Accordingly, Applicants request withdrawal of the 35 U.S.C. § 103(a) rejection of claim 11.

Claims 3 and 6 stand rejected under 35 U.S.C. § 103(a) as being allegedly unpatentable over Yuan in view of Carlisle in view of U.S. Patent Application Publication No. 20020161707 applied for by Cole, *et al.* ("Cole"), further in view of Yun. Applicants respectfully traverse this rejection for at least the following reasons.

Applicants respectfully submit that claim 1 is allowable over Yuan, Carlisle, and Yun, and that Cole fails to cure the deficiencies of Yuan, Carlisle, and Yun noted above with regard to claim 1. Hence, claims 3 and 6 are allowable at least because they depend from an allowable claim 1. Accordingly, Applicants respectfully request withdrawal of the 35 U.S.C. § 103(a) rejection of claims 3 and 6.

### ***Added Claims***

Added claims 13-17 are directed to additional features of the invention, which are not disclosed or suggested in the art of record.

### ***Other Matters***

In addition to the amendments mentioned above, 1-6, 10, and 11 have been amended for informality correction, better wording, and clarification. These amendments are not made to avoid prior art or narrow the claimed invention. Therefore, Applicants do not intend to relinquish any subject matter by these amendments.

**CONCLUSION**

A full and complete response has been made to the pending Office Action, and all of the stated objections and grounds for rejection have been overcome or rendered moot.

Accordingly, all pending claims are allowable, and the application is in condition for allowance.

The Examiner is invited to contact Applicants' undersigned representative at the number below if it would expedite prosecution. Prompt and favorable consideration of this Reply is respectfully requested.

Respectfully submitted,

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